

**AGREEMENT FOR ACQUISITION AND SALE OF REAL
PROPERTY BY AND BETWEEN THE CITY OF NEWPORT
BEACH AND LEVON AND ZAROUHI GUGASIAN**

This **AGREEMENT FOR ACQUISITION AND SALE OF REAL PROPERTY** ("Agreement") is entered into by and between the **CITY OF NEWPORT BEACH**, a municipal corporation and Charter city (the "City"), and **LEVON GUGASIAN** and **ZAROUHI M. GUGASIAN**, husband and wife as joint tenants ("Seller"), for acquisition by the City of certain real property owned by Seller and is made on the basis of the following facts, intentions and understandings.

RECITALS

- A.** Seller is the present owner of that certain real property consisting of two adjacent parcels generally located at 608 East Balboa Boulevard and 209 Washington Street, Newport Beach, California ("Property"), identified as Assessor's Parcel Numbers 048-116-04 and 048-116-05, and more particularly described in Exhibit "A" ("Legal Description") which is attached hereto and incorporated herein by reference.
- B.** Seller is to convey fee simple merchantable title in the Property ("Seller's Interest") to City in accordance with the terms of this Agreement.
- C.** City desires to acquire Property for possible redevelopment, and Seller agrees to sell, assign and transfer Property on the terms and conditions set forth in this Agreement.

NOW THEREFORE, for good and valuable consideration, receipt of which is hereby acknowledged, the parties agree as follows:

1. Purchase and Sale of Property. Subject to the prior satisfaction of the Conditions to Closing set forth in Section 3 hereof, City shall acquire from Seller the Property. The parties agree on the basis of an appraisal in accordance with the negotiation of this transaction that the value of the Property is **Three Million Five Hundred Thousand Dollars (\$3,500,000.00)** (the "Property Purchase Price"), to which the Parties allocate Two Million, Five Hundred and Fifty Thousand Dollars (\$2,550,000.00) for the 608 East Balboa Boulevard parcel (the "608 Parcel"), and Nine Hundred and Fifty Thousand Dollars (\$950,000.00) for the 209 Washington Street parcel. The Parties acknowledge that Twenty-Six Thousand, Five Hundred Dollars (\$26,500.00) of the Two Million, Five Hundred and Fifty Thousand Dollars allocated for the 608 Parcel shall constitute consideration for personal property and fixtures existing on the 608 Parcel which are included in the subject transaction. The City anticipates such funds used for the Property Purchase Price will be derived from parking in lieu fees rather than from the City's General Fund.

2. Closing. This transaction shall close ("Closing") within thirty (30) days of the satisfaction of the Conditions to Closing set forth in Section 3, but in any event not later than one hundred and twenty (120) days after the City has approved this Agreement (the "Outside Date"). The Closing shall occur at the office of the Escrow

Agent (as hereinafter defined) within Orange County at a time and place reasonably agreed on by the parties. The "Closing" shall mean the time and day the Grant Deed is filed for recording with the Orange County Recorder. The "Closing Date" shall mean the day on which the Closing occurs.

3. Conditions to Closing. The Conditions to the Closing are as follows:

(a) Conveyance to City of good and marketable title to the Property free of any and all interests, encumbrances, liens, easements, rights of possession or other clouds of title other than the Leases set forth in the Schedule of Leases attached hereto as Exhibit C and such liens, encumbrances, clouds or conditions as may be approved in writing by the City's City Manager, or designee; and

(b) Delivery of a CLTA owner's extended coverage title insurance policy on the Property, at Seller's expense, in the amount of the full Purchase Price, subject only to such liens, encumbrances, clouds or conditions as may be approved in writing by the City's City Manager, or designee; and

(c) Satisfaction of all of Seller's obligations enumerated in Section 4 hereof; and

(d) Satisfaction of all of City's obligations enumerated in Section 5 hereof; and

(e) City's written approval of the Preliminary Title Report for the Property as required under Section 13 of this Agreement; and

(f) City's written acceptance of the Leases or rental agreements set forth in the Schedule of Leases attached hereto as Exhibit C.

(g) City's environmental consultant providing to City evidence deemed sufficient by City, in writing that the Property is clear of hazardous contamination, or City's acceptance, in writing, that the level of any hazardous contamination is acceptable to City. The cost of said site investigation shall be at the expense of City;

(h) Pursuant to the California Environmental Quality Act ("CEQA") Guidelines Section 15004(b)(2)(A) and applicable case law, City conditions its purchase and use of the Property on the completion and approval of an environmental analysis. Said approval is at the sole and absolute discretion of City, and shall be conveyed to Seller in writing prior to the Close of Escrow. By purchasing the Property, City is not committing itself to any definite course of action on any future project. City retains its full authority and right to consider all feasible mitigation measures and alternatives for any future project, including a no project alternative; and,

(i) Seller's execution of an affidavit of exemption from the Foreign Investment in Real Property Tax Act ("FIRPTA").

4. Seller's Obligations. Seller shall deliver the following to escrow no later than 12:00 o'clock noon, one (1) business day before the anticipated Closing:

(a) Grant Deed to Property executed by Seller and notarized in the form of Exhibit "B" attached hereto and incorporated herein by this reference (the "Grant Deed").

(b) Transfer all security deposits or advance rental payments held by Seller or any third-party to the City.

5. City's Obligations. No later than 12:00 o'clock noon one (1) business day before the anticipated Closing, City shall deliver to escrow the following:

(a) The Certificate of Acceptance (Attachment "1" to Exhibit "B") signed by City's authorized representative in the form attached to the Grant Deed;

(b) First installment payment of One Million, Nine Hundred Thousand Dollars (\$1,900,000.00) and amounts required to be paid by the City by Section 12 hereof; and,

(c) A fully executed Promissory Note in favor of Seller, in a form substantially similar to the one attached hereto as Exhibit D, providing that Buyer shall pay to Seller the balance of the Purchase Price (One Million, Five Hundred Thousand Dollars or \$1,500,000.00) payable in two equal installments, the first payment due one year from the Closing Date, and the second payment due two years from the Closing Date, with interest accruing at two percent (2%) per annum.

6. Representations and Warranties.

6.1 The City represents and warrants to the Seller as follows:

(a) To the best of the City's knowledge, there are no actions, suits, material claims, legal proceedings, or any other proceedings affecting this Agreement thereof, at law, or in equity before any court or governmental agency, domestic or foreign; and

(b) To the best of the City's knowledge, neither the execution of this Agreement nor the performance of the obligations herein will conflict with, or breach any of the provisions of any bond, note, evidence of indebtedness, contract, lease, or other agreement; and

(c) City is not a "foreign person" within the parameters of FIRPTA, or is exempt from the provisions of FIRPTA, or that the City has complied and will comply with all the requirements under FIRPTA; and

6.2 The Seller represents and warrants to the City as follows:

(a) The Seller has full right, power and lawful authority to grant, sell and convey the Property as provided herein; and

(b) To the best of the Seller's knowledge, and except as disclosed in writing to City, including the Schedule of Leases attached hereto as Exhibit C, there are no tenants or other persons who have a lawful interest in the Property; and

(c) The Seller, at the time of the execution of this Agreement, is in possession of the Property in fee simple and is the lawful owner of and has good indefeasible title to the Property; and

(d) To the best of the Seller's knowledge, there are no pending or threatened actions, suits, material claims, legal proceedings, or any other proceedings affecting the Property or any portion thereof, at law, or in equity before any court or governmental agency, domestic or foreign; and

(e) To the best of the Seller's knowledge, and except as disclosed in writing to City, there are no service contracts or other contracts affecting the Property; and

(f) Until the Closing, the Seller shall not do anything which would impair the Seller's title to the Property; and

(g) To the best of the Seller's knowledge, neither the execution of this Agreement nor the performance of the obligations herein will conflict with, or breach any of the provisions of any bond, note, evidence of indebtedness, contract, lease, or other agreement or instrument which affects the Property; and

(h) The Seller agrees to convey by grant deed to City marketable fee simple title to the Property free and clear of all recorded and unrecorded liens, encumbrances, assessments, easements, leases, and taxes EXCEPT the Leases set forth on the Schedule of Leases attached hereto as Exhibit C, quasi-public utility, public alley, public street easements, and rights of way of record, and such other liens or encumbrances approved in writing by City's City Manager or designee; and

(i) The Sellers are not a "foreign person" within the parameters of FIRPTA, or are exempt from the provisions of FIRPTA, or that the Seller's have complied and will comply with all the requirements under FIRPTA.

(j) Until the Closing, the Seller shall, upon learning of any fact or condition which would cause any of the warranties and representations in this Section 6.2 not to be true as of Closing, immediately give written notice of such fact or condition to City.

6.3 The representations and warranties set forth in this Section 6 and Section 8 shall survive close of escrow.

7. Release and Waiver. The amount of the Property Value has been determined based upon negotiations at arm's-length and an appraisal mutually agreed upon by the Parties submitted by Richard A. Fuller, MAI on October 15, 2009, and does not include consideration for any amounts required to be paid for relocation assistance pursuant to the Relocation Assistance Act (Government Code Section 7260, *et seq.*) and the Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970 (42 U.S.C. Section 4601, *et seq.*), and any other applicable federal, state or local enactment, regulation or practice. Seller has been fully advised by counsel of their choosing and forever waives and disclaims any claim for relocation benefits or assistance or any compensation based upon loss of goodwill, severance damages, improvements pertaining to the realty, attorneys fees, interest, court cost, or otherwise, and waive any right to receive an offer based on an appraisal, and agrees that the Purchase Price shall be the sole payment and compensation to the Seller for the sale of the Seller's Interest in the Property. If the City receives any claim for relocation assistance pursuant to the Relocation Assistance Act and the Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970 during the Escrow period, the City reserves the right to renegotiate the Purchase Price or to cancel Escrow if the Parties cannot agree upon a modified Purchase Price.

8. Condition of the Property.

Hazardous Waste. The Seller acknowledges with respect to the Property that to the best of the Seller's knowledge, Hazardous Materials ("Hazardous Materials") were not used, generated, stored, released, discharged or disposed of on, under, in, or about the Property or transported to or from the Property. The Seller represents with respect to the Property, that the Seller nor any other person or entity under the control of, or with the knowledge of the Seller will cause or permit the use, generation, storage, release, discharge, or disposal of any Hazardous Materials on, under, in, or about the subject property. As used in this Agreement the term "Hazardous Materials" shall mean any substance, material, or waste which is or becomes, prior to the closing date, regulated by any local governmental authority, the State of California, or the United States Government, including, but not limited to, any material or substance which is (i) defined as a "hazardous waste", "extremely hazardous waste", or "restricted hazardous waste" under Section 25115, 25117 or 25122.7, or listed pursuant to Section 25140 of the California Health and Safety Code, Division 20, Chapter 6.5 (Hazardous Waste Control Law), (ii) defined as "hazardous substance" under Section 25316 of the California Health and Safety Code, Division 20, Chapter 6.8 (Carpenter-Presley-Tanner Hazardous Substance Account Act), (iii) defined as a "hazardous material", "hazardous substance", or "hazardous waste" under Section 25501 of the California Health and Safety Code, Division 20, Chapter 6.95 (Hazardous Materials Release Response Plans and Inventory), (iv) defined as a "hazardous substance" under Section 25281 of the California Health and Safety Code, Division 20, Chapter 6.7 (Underground Storage of Hazardous Substances), (v) petroleum, (vi) friable asbestos, (vii) polychlorinated biphenyls, (viii) listed under Article 9 or defined as "hazardous" or "extremely hazardous" pursuant to Article 11 of Title 22 of the California Code of Regulations, Division 4, Chapter 20, (ix) designated as a "hazardous substances" pursuant to Section 311 of the Clean Water Act, (33 U.S.C. §1317), (x) defined as a "hazardous waste" pursuant to Section 1004 of the Resource Conservation and Recovery Act, 42 U.S.C. section 6901 *et seq.* (42 U.S.C. §6903) or (xi) defined as "hazardous substances" pursuant to Section 101 of the Comprehensive Environmental Response,

Compensation, and Liability Act, 42 U.S.C. Section 6901 *et seq.* The Seller shall be responsible for the removal of all Hazardous Materials, if any, before the Seller relinquishes actual possession of the Property, subject to the City's approval of Seller's satisfactory removal of all Hazardous Materials. City shall have the right to fully inspect the Property prior the Close of Escrow and shall provide written notice of its approval or non-approval of the removal of Hazardous Materials to its satisfaction prior to the Close of Escrow. If the removal of Hazardous Materials by Seller has not been completed to City's satisfaction no later than one (1) business day before Close of Escrow, City reserves the right to cancel Escrow and terminate this transaction.

9. Compliance with Environmental Laws. To the best of the Seller's knowledge, the Property and its present use complies with all applicable laws and governmental regulations including, without limitation, all applicable federal, state, and local laws pertaining to air and water quality, hazardous waste, waste disposal, and other environmental matters, including, but not limited to, the Clean Water, Clean Air, Federal Water Pollution Control, Solid Waste Disposal, Resource Conservation Recovery and Comprehensive Environmental Response Compensation and Liability Acts, and the California Environmental Quality Act, and the rules, regulations, and ordinances of the City within which the subject property is located, the California Department of Health Services, the Regional Water Quality Control Board, the State Water Resources Control Board, the Environmental Protection City, and all applicable federal, state, and local agencies and bureaus.

10. Indemnity. The Seller agrees to indemnify, defend and hold City harmless from and against any claim, action, suit, proceeding, loss, cost, damage, liability, deficiency, fine, penalty, punitive damage, or expense (including, without limitation, attorneys' fees), resulting from, arising out of, or based upon (i) the presence, release, use, generation, discharge, storage or disposal of any Hazardous Materials on, under, in or about, or the transportation of any such Hazardous Materials to or from, the Property, or (ii) the violation, or alleged violation, of any statute, ordinance, order, rule, regulation, permit, judgment or license relating to the use, generation, release, discharge, storage, disposal or transportation of Hazardous Materials on, under, in or about, to or from, the Property. This indemnity shall include, without limitation, any damage, liability, fine, penalty, punitive damage, cost or expense arising from or out of any claim, action, suit or proceeding for personal injury (including sickness, disease or death, tangible or intangible property damage, compensation for lost wages, business income, profits or other economic loss, damage to the natural resource or the environment, nuisance, contamination, leak, spill, release or other adverse effect on the environment. This indemnity extends only to liability created prior to the Closing Date.

11. Environmental Contingency. This Agreement, or escrow created hereby, is additionally contingent upon the City receiving satisfactory evidence, in the form of an environmental assessment report, from a licensed contractor who is acceptable to the City in its sole and absolute discretion and who shall be hired by the City, showing that the Property is free from any Hazardous Materials in the soil or groundwater, or any other environmental conditions which may affect the value of the Property. In the event the City is not able to obtain such an environmental assessment report, the City is entitled to conduct such further and other examination and testing as it

or any responsible governmental agency may require or request to determine the nature, source, scope, and extent of such Hazardous Materials, or it may terminate this transaction and cancel escrow. Such environmental assessment report shall be completed within ninety (90) calendar days of opening of escrow. If a licensed contractor selected by the City determines that there are Hazardous Materials in, on or under the Property, including in the groundwater, then the City may elect to: (i) terminate this transaction and cancel escrow, or (ii) negotiate a modified purchase price with Seller and purchase the subject Property. The City shall provide written notice to the Seller of its election to terminate the transaction and cancel escrow under this paragraph within thirty (30) days from the completion of the environmental assessment report. Regardless of which option is selected by the City in the event Hazardous Materials are found in, on or under the subject property, neither Party waives or relinquishes any common law or statutory rights it or they may have against one another or third persons arising from or related to the cause or source of the Hazardous Materials, or for contribution or indemnity as a result of site evaluation, remediation and clean-up costs and liability.

12. Escrow. Within ten (10) days after the execution of this Agreement by City and the Seller, the parties shall open escrow with an escrow company agreed to by all parties (the "Escrow Agent").

12.1 City shall deposit \$100,000.00 with Escrow Agent within three days of opening escrow as a deposit toward the Purchase Price (the "Initial Deposit"). The Initial Deposit shall be refundable in full to the City if any of the conditions set forth in Section 3, 8 or 11 of this Agreement cannot be satisfied or completed.

12.2 The City shall pay one-half (1/2) all escrow fees, charges and costs (the "Escrow Fees") consisting of the following:

- (a) The Escrow Agent's fee;
- (b) The cost of any documentary transfer taxes, if any, on the Property Grant Deed;
- (c) Fees for recording and filing all documents required by this Agreement in connection with the transfer of Property, including the Property Grant Deed; and

12.3 The Seller shall pay one-half (1/2) all escrow fees, charges and costs (the "Escrow Fees") consisting of the following:

- (a) The Escrow Agent's fee;
- (b) The cost of any documentary transfer taxes, if any, on the Property Grant Deed;
- (c) Fees for recording and filing all documents required by this Agreement in connection with the transfer of Property, including the Property Grant Deed; and

(d) The full costs of an CLTA owner's extended insurance coverage, including any land survey costs for the Property in the amount of the Property Purchase Price.

13. Preliminary Title Reports. Within five (5) business days after the opening of escrow, the Seller, at the Seller's expense, shall furnish City with a Preliminary Title Report on the Property issued by a title company mutually agreed to by both Parties. The Preliminary Title Report shall be accompanied by legible copies of all underlying documents for all exceptions ("Exceptions") set forth in the Preliminary Title Report. The City shall have ten (10) business days from receipt of the Preliminary Title Report within which to give written notice to the Seller of the City's approval or disapproval of any of such Exceptions. The City's failure to give written approval of the Preliminary Title Report within such time limit shall be deemed disapproval of the Preliminary Title Report. No deeds of trust, mortgages or other liens, except for the lien of property taxes and assessments not yet due, shall be approved Exceptions. If the City notifies the Seller of its disapproval of any Exceptions in the Preliminary Title Report, or is deemed to have disapproved the Preliminary Title Report, the Seller shall have the right, but not the obligation, to remove any disapproved Exceptions within thirty (30) days after receiving written notice of the City's disapproval or provide assurances satisfactory to the reviewing party that such Exception(s) will be removed on or before the Closing. If the Seller cannot or does not elect to remove any of the disapproved Exceptions within that period, the City shall have ten (10) days after the expiration of such thirty (30) day period to either give the Seller written notice that the City elects to proceed with the acquisition subject to the disapproved Exceptions or to give the Seller written notice that the City elects to terminate this Agreement. The City shall have the right to approve or disapprove any Exceptions reported by the Title Company after the City has approved the condition of title for the Property. Neither party shall voluntarily create any new exceptions to title following the date of this Agreement.

14. Escrow Instructions. This Agreement constitutes the joint escrow instructions of the City and the Seller, and Escrow Agent to whom these instructions are delivered is hereby empowered to act under this Agreement. The parties hereto agree to do all acts reasonably necessary to close this escrow in the shortest possible time.

14.1 By 12 o'clock noon, the last business day before Closing, the City and the Seller will deposit the documents as required by Section 4 and 5 hereof with Escrow Agent. The City and the Seller agree to deposit with Escrow Agent any additional instruments as may be necessary to complete this transaction or required by escrow.

14.2 Insurance policies for fire or casualty are not to be transferred, and Seller will cancel its policies after the Closing.

14.3 All funds received in this escrow shall be deposited with other escrow funds in a general escrow account(s) and may be transferred to any other such escrow trust account in any State or National Bank doing business in the State of California. All disbursements shall be made by check from such account.

14.4 If in the opinion of the City it is necessary or convenient in order to accomplish the Closing of this transaction, City may require that the parties sign supplemental escrow instructions as may be required by the Escrow Agent; provided that if there is any inconsistency between this Agreement and the supplemental escrow instructions, then the provisions of this Agreement shall control. The Parties agree to execute such other and further documents as may be necessary, helpful or appropriate to effectuate the provisions of this Agreement. The Closing shall take place when the conditions of Closing as set forth in Section 3 have been satisfied.

14.5 Escrow Agent is instructed to release City's escrow closing and the Seller's escrow closing statement to the parties as identified in Section 19.4 of this Agreement.

15. Tax Adjustment Procedure. Escrow Agent is authorized and is instructed to comply with the following:

15.1 Pay and charge the Seller for any unpaid delinquent taxes against the Property and/or penalties and interest thereon, and for any delinquent or non-delinquent assessments or bonds against the Property; and

15.2 Pay and charge the Seller for all taxes against the Property which will be due at the end of the current assessment period ending either December 10 or April 10; and

15.3 The Seller shall have the sole right, after the Closing, to apply to the County Tax Collector of Orange County for a refund of the amount over and above the amount of the Seller's pro rata share of taxes then due. This refund would apply to the period after the City's acquisition of the Property, pursuant to Revenue and Taxation Code Section 5096.7; and

15.4 Escrow Agent shall forward a separate receipt and check for prorated taxes to Seller pursuant to paragraph 15.3 above, with separate written notice to City.

16. Authority of Escrow Agent. Escrow Agent is authorized to, and shall:

16.1 Pay and charge the Seller for any amount necessary to place title of the Property in the condition necessary to satisfy Section 3 of this Agreement; and

16.2 Charge City for Escrow Fees in accordance with Section 12 of this Agreement; and

16.3 Disburse funds, deliver and record the Grant Deeds and Certificate of Acceptance when conditions of this escrow have been fulfilled by City and the Seller; and

16.4 Do such other actions as necessary, including obtaining policies of title insurance, to fulfill its obligations under this Agreement; and

16.5 If the provisions of FIRPTA apply to the transaction memorialized in this Agreement, and unless City or the Seller are not a "foreign person" or an exemption applies, the Escrow Agent shall deduct and withhold from the Seller's proceeds in connection with the conveyance of the Property, ten percent (10%) of the gross sales price and shall otherwise comply with all applicable provisions of FIRPTA. City and the Seller agree to execute and deliver as directed by Escrow Agent any instrument, affidavit, and statement, and to perform any act reasonably necessary to comply with the provisions of FIRPTA and regulations promulgated thereunder. City and the Seller expressly agree to execute a Certificate of Non-Foreign Status by individual transferor and/or a Seller's Certification of Compliance with Real Estate Reporting Requirement of the 1986 Tax Reform Act as may be required by Escrow Agent, on the form to be supplied by Escrow Agent; and

16.6 Prepare and file with all appropriate governmental or taxing authorities a uniform settlement statement, closing statement, tax withholding forms including an IRS 1099-S form, and be responsible for withholding taxes, if any such forms are provided for or required by law.

16.7 All time limits within which any matter herein specified is to be performed may be extended, but only by mutual agreement of the parties hereto and amendment of this Agreement. Any amendment of, or supplement to, this Agreement must be in writing, and signed by all parties hereto.

17. Termination. If escrow is not in condition to close by the Outside Date, then either party which has fully performed under this Agreement may, in writing, demand the return of money or property and terminate this Agreement. If neither party has fully complied with the provisions of escrow, no demand for return of documents shall be recognized and this Agreement shall not terminate until five (5) days after Escrow Agent shall have delivered copies of such demand to all other parties at the respective addresses shown in this Agreement. If any objections are raised within said five (5) day period, Escrow Agent is authorized to hold all papers and documents until instructed by a court of competent jurisdiction or by mutual written instructions of the parties. Termination of this Agreement shall be without prejudice as to whatever legal rights either party may have against the other arising from this Agreement. If no demand is made, the Escrow Agent shall proceed with the Closing as soon as escrow is in condition to Close.

18. Loss or Damage. Loss or damage to Property, by fire or other casualty, occurring prior to the recordation of the Grant Deed shall be at the risk of the Seller. In the event that loss or damage to Property, by fire or other casualty, occurs prior to recordation of the Grant Deed, City may elect to require that the Seller pay to City the proceeds of any insurance which may become payable to the Seller by reason thereof, or to permit such proceeds to be used for the restoration of the damage done, or to reduce the Seller Property Purchase Price by an amount equal to the diminution in value of Kincaid Property by reason of such loss or damage or the amount of insurance payable to the Seller, whichever is greater.

19. General Provisions.

19.1 Brokers. The City represents and warrants to Seller that it has not used any finder, broker or real estate agent in connection with this transaction, and agrees that it shall indemnify and hold the other harmless from and against all brokerage commissions or finder's fees and claims therefor, payable in connection with the disposition of the Property and resulting from the acts or omissions of such indemnifying party. If Seller elects to be represented by a real estate agent or broker, Seller shall be liable for the payment of any and all commission or fees for Seller's real estate agent or broker, and such commission or fees shall be paid for by Seller out of the proceeds of the sale of the Property herein.

19.2 Successors and Assigns. This Agreement shall be binding upon and shall inure to the benefit of the City and the Seller and their respective heirs, personal representatives, successors and assigns. City shall have the right to assign this Agreement or any interest or right under this Agreement or under the escrow without obtaining the prior consent of the Seller.

19.3 Attorneys' Fees. In any action between the parties to interpret, enforce, award, modify or rescind any of the terms or provisions of this Agreement, or any action otherwise commenced or taken in connection with this Agreement, both parties shall be responsible for their respective litigation costs and attorneys' fees.

19.4 Approvals and Notices. Any approval, disapproval, demand, document or other notice ("Notice") which either party may desire or be required to give to the other party under this Agreement must be in writing and may be given by any commercially acceptable means to the party to whom the Notice is directed at the address of the party as set forth below, or at any other address as that party may later designate by Notice. Any Notice given under this paragraph, whether personally or by mail, shall be deemed received only upon actual receipt by the intended party.

To Seller: Levon and Zarouhi M. Gugasian
 11 Ridgeline Drive
 Newport Beach, CA 92660

To City: City of Newport Beach
 Attention: City Manager
 PO Box 1768
 Newport Beach, CA 92658-8915

19.5 Jurisdiction and Venue. This Agreement shall be construed under the laws of the State of California in effect at the time of the signing of this Agreement. The parties consent to the jurisdiction of the California courts with venue in County of Orange.

19.6 Titles and Captions. Titles and captions are for convenience of reference only and do not define, describe or limit the scope or the intent of this Agreement or of any of its terms. Reference to section numbers are to sections in this Agreement, unless expressly stated otherwise.

19.7 Interpretation. As used in this Agreement, masculine, feminine or neuter gender and the singular or plural number shall each be deemed to include the others where and when the context so dictates. The word "including" shall be construed as if followed by the words "without limitation." This Agreement shall be interpreted as though prepared jointly by both parties.

19.8 No Waiver. A waiver by either party of a breach of any of the covenants, conditions or agreements under this Agreement to be performed by the other party shall not be construed as a waiver of any succeeding breach of the same or other covenants, agreements, restrictions or conditions of this Agreement.

19.9 Modifications. Any alteration, change or modification of or to this Agreement, in order to become effective, shall be made in writing and in each instance signed on behalf of each party.

19.10 Severability. If any term, provision, condition or covenant of this Agreement or its application to any party or circumstances shall be held, to any extent, invalid or unenforceable, the remainder of this Agreement, and the application of the term, provision, condition or covenant to persons or circumstances other than those as to whom or which it is held invalid or unenforceable, shall not be affected, and shall be valid and enforceable to the fullest extent permitted by law.

19.11 Offer. Any delivery of unsigned copies of this Agreement is solely for the purpose of review by the party to whom delivered, and neither the delivery nor any prior communications between the parties, whether oral or written, shall in any way be construed as an offer by City, nor in any way imply that City is under any obligation to enter the transaction which is the subject of this Agreement. The signing of this Agreement by the Seller constitutes an offer which shall not be deemed accepted by City unless and until the City has signed this Agreement. The Seller agrees that his offer shall be acceptable and cannot be revoked for a period of thirty (30) days. This is not a binding agreement unless and until executed on behalf of City after approval and adoption of a resolution or minute action by the City's City Council in full compliance with the City's Charter, ordinances, and regulations.

19.12 Right of Access. City shall first be entitled to possession of the Property on the Closing Date. Prior to such date, City and its representatives, agents, employees, contractors and designees shall have the right of access to the Property at all reasonable times for the purpose of making necessary and appropriate inspections, tests, borings, samplings, surveys, etc. The City shall save and protect the Sellers against any claims resulting from such access or use of Property undertaken pursuant to this Section.

19.13 Computation of Time. The time in which any act is to be done under this Agreement is computed by excluding the first day (such as the day escrow opens), and including the last day, unless the last day is a holiday or Saturday or Sunday, and then that day is also excluded. The term "holiday" shall mean all holidays as specified in Section 6700 and 6701 of the California Government Code. If any act is to be done by a particular time during a day, that time shall be Pacific Time Zone time.

19.14 Legal Advice. Each party represents and warrants to the other the following: they have carefully read this Agreement, and in signing this Agreement, they do so with full knowledge of any right which they may have; they have received independent legal advice from their respective legal counsel as to the matters set forth in this Agreement, or have knowingly chosen not to consult legal counsel as to the matters set forth in this Agreement; and, they have freely signed this Agreement without any reliance upon any agreement, promise, statement or representation by or on behalf of the other party, or their respective agents, employees, or attorneys, except as specifically set forth in this Agreement, and without duress or coercion, whether economic or otherwise.

19.15 Time of Essence. Time is expressly made of the essence with respect to the performance by City and the Seller of each and every obligation and condition of this Agreement including, without limitation, the Closing.

19.16 Cooperation. Each party agrees to cooperate with the other in the Closing of this transaction and, in that regard, to sign any and all documents which may be reasonably necessary, helpful, or appropriate to carry out the purposes and intent of this Agreement including, but not limited to, releases or additional agreements.

19.17 Acquisition Not Under Threat of Eminent Domain. City possesses the power, under California law, to acquire the property by eminent domain, but it is not contemplating the use of its eminent domain power as part of the acquisition of the Property.

19.18 Agreement in Total.

(a) Entire Agreement. This Agreement contains the entire understanding between the parties relating to the transaction contemplated by this Agreement. The Seller is entering this Agreement based solely upon the representations set forth herein and upon the Seller's own independent investigation of any and all facts the Seller deems material. No subsequent agreement, representation, or promise made by either party hereto, or by or to an employee, officer, agent or representative of either party shall be of any effect unless it is in writing and executed by the party to be bound thereby.

(b) Counterparts. This Agreement may be signed in multiple counterparts which, when signed by all parties, shall constitute a binding agreement.

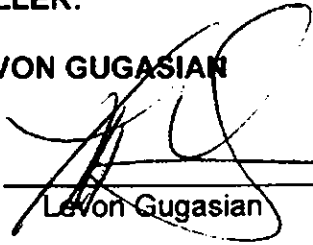
(c) Exhibits Incorporated by Reference. All exhibits and attachments attached to this Agreement are incorporated in this Agreement by this reference. This Agreement includes eighteen (___) pages and Exhibits "A" through "D."

IN WITNESS WHEREOF, the City and the Seller have signed this Agreement on the dates set forth below.

SELLER:

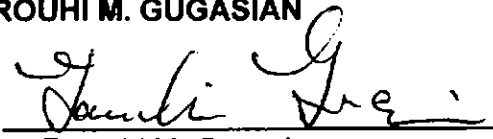
LEVON GUGASIAN

Dated: Jan 7 - 10

By: 
Levon Gugasian

ZAROUHI M. GUGASIAN

Dated: Jan 7 - 10

By: 
Zarouhi M. Gugasian

CITY:

CITY OF NEWPORT BEACH, a municipal corporation and charter city

Dated: _____

By: _____
David Kiff, City Manager

ATTEST:

By: _____
Leilani Brown, City Clerk

APPROVED AS TO FORM:
OFFICE OF THE CITY ATTORNEY

By: _____
Mynette D. Beauchamp,
Assistant City Attorney

IN WITNESS WHEREOF, the City and the Seller have signed this Agreement on the dates set forth below.

SELLER:

LEVON GUGASIAN

Dated: _____

By: _____
Levon Gugasian

ZAROUHI M. GUGASIAN

Dated: _____

By: _____
Zarouhi M. Gugasian

CITY:

CITY OF NEWPORT BEACH, a municipal corporation and charter city

Dated: 2/3/10

By: 
Keith D. Curry, Mayor

ATTEST:

By: 
Leilani Brown, City Clerk



**APPROVED AS TO FORM:
OFFICE OF THE CITY ATTORNEY**

By: 
Mynette D. Beauchamp,
Assistant City Attorney

EXHIBIT "A"
LEGAL DESCRIPTION OF SUBJECT PROPERTY

Lots 7, 8, 9, 10 and 11, in Block 7, Balboa Tract, in the City of Newport Beach, County of Orange, State of California, as per map thereof recorded in Book 7, Page 11, of Miscellaneous Maps.

EXHIBIT "B"
GRANT DEED

**RECORDING REQUESTED BY
AND WHEN RECORDED, MAIL TO:**

City Clerk
City of Newport Beach
3300 Newport Boulevard
PO Box 1768
Newport Beach, California 92663-3884

**RECORDING FEE EXEMPT PER
GOVT. CODE SEC. 6103 & 27383**

(Space Above for Recorder's Use)

DOCUMENTARY TRANSFER TAX \$ NONE

GRANT DEED

FOR A VALUABLE CONSIDERATION, receipt of which is hereby acknowledged,
LEO GUGASIAN, a married man as his sole and separate property (?), hereby
GRANT(S) to the City of Newport Beach, a municipal corporation, the real property in
the City of Newport Beach, County of Orange, State of California, described as follows:

[To be inserted]

Dated: _____

By: _____

Dated: _____

By: _____

ATTACHMENT NO. "1" TO EXHIBIT "B"

CERTIFICATE OF ACCEPTANCE

This **CERTIFICATE OF ACCEPTANCE** is to certify that the interest in real property, _____, by and between the City of Newport Beach, a municipal corporation, as Grantee, and Levon and Zarouhi M. Gugasian, husband and wife as joint tenants, as Grantors, is hereby accepted on _____, by the undersigned officer on behalf of the City of Newport Beach pursuant to authority conferred by Resolution No. 1992-82 of the City Council adopted on July 27, 1992. The City consents to the recordation of said document in the Office of the Recorder of Orange County, State of California.

**APPROVED AS TO FORM:
OFFICE OF THE CITY ATTORNEY**

**CITY OF NEWPORT BEACH,
A Municipal Corporation**

By: _____
Mynette D. Beauchamp,
Assistant City Attorney

By: _____
David Kiff,
City Manager

ATTEST:

By: _____
Leilani I. Brown,
City Clerk

State of California)
County of ORANGE)

On _____ before me, _____, Notary Public, personally appeared DAVID KIFF, who proved to me on the basis of satisfactory evidence to be the person whose name is subscribed to the within instrument and acknowledged to me that he executed the same in his authorized capacity(ies), and that by his signature on the instrument the person, or the entity upon behalf of which the person(s) acted, executed the instrument.

I certify under PENALTY OF PERJURY under the laws of the State of California that the foregoing paragraph is true and correct.

WITNESS my hand and official seal.

Signature

_____(Seal)

State of California)

County of ORANGE)

On _____ before me, _____, Notary Public, personally appeared LEVON GUGASIAN, who proved to me on the basis of satisfactory evidence to be the person whose name is subscribed to the within instrument and acknowledged to me that he executed the same in his authorized capacity(ies), and that by his signature on the instrument the person, or the entity upon behalf of which the person(s) acted, executed the instrument.

I certify under PENALTY OF PERJURY under the laws of the State of California that the foregoing paragraph is true and correct.

WITNESS my hand and official seal.

Signature

_____ (Seal)

State of California)

County of ORANGE)

On _____ before me, _____, Notary Public, personally appeared ZAROUHI M. GUGASIAN, who proved to me on the basis of satisfactory evidence to be the person whose name is subscribed to the within instrument and acknowledged to me that he executed the same in his authorized capacity(ies), and that by his signature on the instrument the person, or the entity upon behalf of which the person(s) acted, executed the instrument.

I certify under PENALTY OF PERJURY under the laws of the State of California that the foregoing paragraph is true and correct.

WITNESS my hand and official seal.

Signature

_____ (Seal)

EXHIBIT "C"
SCHEDULE OF LEASES

NONE

EXHIBIT "D"
SAMPLE PROMISSORY NOTE

DO NOT DESTROY THIS NOTE: When paid, this note, with Deed of Trust securing same, must be surrendered to Trustee for cancellation before reconveyance will be made.

NOTE SECURED BY DEED OF TRUST

\$1,500,000.00

Newport Beach, California _____, 2010

In installments as herein stated, for value received, THE CITY OF NEWPORT BEACH, A MUNICIPAL CORPORATION, promises to pay to LEVON GUGASIAN AND ZAROUHI GUGASIAN, Husband and Wife, as Joint Tenants, or order, at Newport Beach, California, the principal sum of ONE MILLION FIVE HUNDRED THOUSAND DOLLARS (\$1,500,000.00) with interest thereon from _____, 2010, on the unpaid principal at the rate of two percent (2%) per annum in installments as follows:

A single principal payment of SEVEN HUNDRED FIFTY THOUSAND DOLLARS (\$750,000.00), plus all accrued interest, shall be due and payable twelve (12) months from the date of this note, namely on _____, 2011.

A second and final payment of principal in the amount of SEVEN HUNDRED FIFTY THOUSAND DOLLARS (\$750,000.00), plus all accrued interest, shall be due and payable twenty four (24) months from the date of this note, namely on _____, 2011, at which this note shall fully mature and be fully due and payable.

Should default be made in payment of any installment of principal and interest, the whole sum of principal and interest shall, at the option of the holder of this note, become immediately due. If any payment is more than ten (10) days late, a late charge in the amount of ten percent (10%) of the payment shall be due and payable. Principal and interest payable in lawful money of the United States.

This note is secured by a DEED OF TRUST to CHICAGO TITLE COMPANY, a California corporation, as Trustee.

[signatures on following page]

IN WITNESS WHEREOF, the City has signed this Note Secured by Deed of Trust on the date set forth below.

CITY OF NEWPORT BEACH, a municipal
corporation and charter city

Dated: _____

By: _____
Keith D. Curry, Mayor

ATTEST:

By: _____
Leilani Brown, City Clerk

**APPROVED AS TO FORM:
OFFICE OF THE CITY ATTORNEY**

By: _____
Mynette D. Beauchamp,
Assistant City Attorney

RECORDING REQUESTED BY

AND WHEN RECORDED MAIL TO

Name CITY OF NEWPORT BEACH
Street a Municipal Corporation
Address
City & 3300 Newport Blvd.
State
Zip Newport Beach, CA 92663

Title Order No. Escrow No.

Assessors Parcel Number: 048 116-04 and 048 116-05

SPACE ABOVE THIS LINE FOR RECORDER'S USE

DEED OF TRUST WITH ASSIGNMENT OF RENTS

This DEED OF TRUST, made between
CITY OF NEWPORT BEACH, a Municipal Corporation herein called TRUSTOR,

whose address is 3300 Newport Blvd., Newport Beach, California 92663

(Number and Street)

(City)

(State)

(Zip Code)

CHICAGO TITLE COMPANY, a California Corporation, herein called TRUSTEE, and

LEVON GUGASIAN AND ZAROUHI M. GUGASIAN

, herein called BENEFICIARY,

Trustor irrevocably grants, transfers and assigns to Trustee in Trust, with Power of Sale that property in

CITY OF NEWPORT BEACH

County of ORANGE

, State of California, described as:

LOTS 7, 8, 9, 10 AND 11, IN BLOCK 7, BALBOA TRACT, IN THE CITY OF NEWPORT BEACH, COUNTY OF ORANGE, STATE OF CALIFORNIA, AS PER MAP THEREOF RECORDED IN BOOK 7, PAGE 11, OF MISCELLANEOUS MAPS.

Together with the rents, issues and profits thereof, subject, however, to the right, power and authority hereinafter given to and conferred upon Beneficiary to collect and apply such rents, issues and profits.

For the Purpose of Securing (1) payment of the sum of \$ 1,500,000.00 with interest thereon according to the terms of a promissory note or notes of even date herewith made by Trustor, payable to order of the Beneficiary, and extensions or renewals thereof; (2) the performance of each agreement of Trustor incorporated by reference or contained herein or reciting it is so secured; (3) Payment of additional sums and interest thereon which may hereafter be loaned to Trustor, or his or her successors or assigns, when evidenced by a promissory note or notes reciting that they are secured by this Deed of Trust.

A. To protect the security of this Deed of Trust, and with respect to the property above described, Trustor agrees:

(1) To keep said property in good condition and repair; not to remove or demolish any building thereon; to complete or restore promptly and in good and workmanlike manner any building which may be constructed, damaged or destroyed thereon and to pay when due all claims for labor performed and materials furnished therefor, to comply with all laws affecting said property or requiring any alterations or improvements to be made thereon, not to commit or permit waste thereof; not to commit, suffer or permit any act upon said property in violation of law, to cultivate, irrigate, fertilize, fumigate, prune and do all other acts which from the character or use of said property may be reasonably necessary, the specific enumerations herein not excluding the general.

(2) To provide maintain and deliver to Beneficiary fire insurance satisfactory to and with loss payable to Beneficiary. The amount collected under any fire or other insurance policy may be applied by Beneficiary upon any indebtedness secured hereby and in such order as beneficiary may determine, or at option of Beneficiary the entire amount so collected or any part thereof may be released to Trustor. Such application or release shall not cure or waive any default or notice of default hereunder or invalidate any act done pursuant to such notice.

(3) To appear in and defend any action or proceeding purporting to affect the security hereof or the rights or powers of Beneficiary or Trustee; and to pay all costs and expenses, including cost of evidence of title and attorney's fees in a reasonable sum, in any action or proceeding in which Beneficiary or Trustee may appear, and in any suit brought by Beneficiary to foreclose this Deed of Trust.

(4) To pay, at least ten days before delinquency all taxes and assessments affecting said property, including assessments on appurtenant water stock, when due, all encumbrances, charges and liens, with interest, on said property or any part thereof, which appear to be prior or superior hereto; all costs, fees and expenses of this Trust.

Should Trustor fail to make any payment or to do any act as herein provided, then Beneficiary or Trustee, but without obligation so to do and without notice to or demand upon Trustor and without releasing Trustor from any obligation hereof, may make or do the same in such manner and to such extent as either may deem necessary to protect the security hereof, Beneficiary or Trustee being authorized to enter upon said property for such purposes; appear in and defend any action or proceeding purporting to affect the security hereof or the rights or powers of Beneficiary or Trustee, pay, purchase, contest or compromise any encumbrance, charge, or lien which in the judgment of either appears to be prior or superior hereto; and, in exercising any such powers, pay necessary expenses, employ counsel and pay his or her reasonable fees

(5) To pay immediately and without demand all sums so expended by Beneficiary or Trustee, with interest from date, of expenditure at the amount allowed by law in effect at the date hereof, and to pay for any statement provided for by law in effect at the date hereof regarding the obligation secured hereby, any amount demanded by the Beneficiary not to exceed the maximum allowed by law at the time when said statement is demanded.

B. It is mutually agreed:

(1) That any award of damages in connection with any condemnation for public use of or injury to said property or any part thereof is hereby assigned and shall be paid to Beneficiary who may apply or release such moneys received by him or her in the same manner and with the same effect as above provided for disposition of proceeds of fire or other insurance.

(2) That by accepting payment of any sum secured hereby after its due date, Beneficiary does not waive his or her right either to require prompt payment when due of all other sums so secured or to declare default for failure so to pay.

(3) That at any time or from time to time, without liability therefore and without notice, upon written request of Beneficiary and presentation of this Deed and said note for endorsement, and without affecting the personal liability of any person for payment of the indebtedness secured hereby, Trustee may reconvey any part of said property; consent to the making of any map or plat thereof; join in granting any easement thereon; or join in any extension agreement or any agreement subordinating the lien or charge hereof.

(4) That upon written request of beneficiary stating that all sums secured hereby have been paid, and upon surrender of this Deed and said note to Trustee for cancellation and retention or other disposition as Trustee in its sole discretion may choose and upon payment of its fees, Trustee shall reconvey, without warranty, the property then held hereunder. The recitals in such reconveyance of any matters or facts shall be conclusive proof of the truthfulness thereof. The Grantee in such reconveyance may be described as "the person or persons legally entitled thereto".

(5) That as additional security, Trustor hereby gives to and confers upon Beneficiary the right, power and authority, during the continuance of these Trusts, to collect the rents, issues and profits of said property reserving unto Trustor the right, prior to any default by Trustor in payment of any indebtedness secured hereby or in performance of any agreement hereunder, to collect and retain such rents, issues and profits as they become due and payable. Upon any such default, Beneficiary may at any time without notice, either in person, by agent, or by a receiver to be appointed by a court, and without regard to the adequacy of any security for the indebtedness hereby secured, enter upon and take possession of said property or any part thereof, in his or her own name sue for or otherwise collect such rents, issues, and profits, including those past due and unpaid, and apply the same, less costs and expenses of operation and collection, including reasonable attorney's fees, upon any indebtedness secured hereby, and in such order as Beneficiary may determine. The entering upon and taking possession of said property, the collection of such rents, issues and profits and the application thereof as aforesaid, shall not cure or waive any default or notice of default hereunder or invalidate any act done pursuant to such notice.

(6) That upon default by Trustor in payment of any indebtedness secured hereby or in performance of any agreement hereunder, Beneficiary may declare all sums secured hereby immediately due and payable by delivery to Trustee of written declaration of default and demand for sale and of written notice of default and of election to cause to be sold said property, which notice Trustee shall cause to be filed for record. Beneficiary also shall deposit with Trustee this Deed, said note and all documents evidencing expenditures secured hereby.

After the lapse of such time as may then be required by law following the recording of said notice of default, and notice of sale having been given as then required by law, Trustee without demand on Trustor, shall sell said property at the time and place fixed by it in said notice of sale, either as a whole or in separate parcels, and in such order as it may determine, at public auction to the highest bidder for cash in lawful money of the United States, payable at time of sale. Trustee may postpone sale of all or any portion of said property by public announcement at such time and place of sale, and from time to time thereafter may postpone such sale by public announcement at the time fixed by the preceding postponement. Trustee shall deliver to such purchaser its deed conveying the property so sold, but without any covenant or warranty, express or implied. The recitals in such deed of any matters or facts shall be conclusive proof of the truthfulness thereof. Any person, including Trustor, Trustee, or Beneficiary as hereinafter defined, may purchase at such sale.

After deducting all costs, fees and expenses of Trustee and of this Trust, including cost of evidence of title in connection with sale, Trustee shall apply the proceeds of sale to payment of: all sums expended under the terms hereof, not then repaid, with accrued interest at the amount allowed by law in effect at the date hereof, all other sums then secured hereby; and the remainder, if any, to the person or persons legally entitled thereto.

(7) Beneficiary, or any successor in ownership of any indebtedness secured hereby, may from time to time, by instrument in writing, substitute a successor or successors to any Trustee named herein or acting hereunder, which instrument, executed by the Beneficiary and duly acknowledged and recorded in the office of the recorder of the county or counties where said property is situated, shall be conclusive proof of proper substitution of such successor Trustee or Trustees, who shall, without conveyance from the Trustee predecessor, succeed to all its title, estate, rights, powers and duties. Said instrument must contain the name of the original Trustor, Trustee and Beneficiary hereunder, the book and page where this Deed is recorded and the name and address of the new Trustee.

(8) That this Deed applies to, inures to the benefit of, and binds all parties hereto, their heirs, legatees, devisees, administrators, executors, successors, and assigns. The term Beneficiary shall mean the owner and holder, including pledges, of the note secured hereby, whether or not named as Beneficiary herein. In this Deed, whenever the context so requires, the masculine gender includes the feminine and/or the neuter, and the singular number includes the plural.

(9) The Trustee accepts this Trust when this Deed, duly executed and acknowledged, is made a public record as provided by law. Trustee is not obligated to notify any party hereto of pending sale under any other Deed of Trust or of any action or proceeding in which Trustor, Beneficiary or Trustee shall be a party unless brought by Trustee.

Beneficiary may charge for a statement regarding the obligation secured hereby, provided the charge thereof does not exceed the maximum allowed by laws.

The undersigned Trustor, requests that a copy of any notice of default and any notice of sale hereunder be mailed to him or her at his or her address hereinbefore set forth.

Dated _____

Signature of Trustor

STATE OF CALIFORNIA
COUNTY OF _____

SIGNATURES ON FOLLOWING PAGE

On _____ before me.

(here insert name and title of the officer)

personally appeared _____

who proved to me on the basis of satisfactory evidence to be the person(s) whose name(s) is/are subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their authorized capacity(ies), and that by his/her/their signature(s) on the instrument the person(s), or the entity upon behalf of which the person(s) acted, executed the instrument.

I certify under PENALTY OF PERJURY under the laws of the state of California that the foregoing paragraph is true and correct.

WITNESS my hand and official seal

Signature _____

DO NOT RECORD

REQUEST FOR FULL RECONVEYANCE

TO CHICAGO TITLE COMPANY

The undersigned is the legal owner and holder of the note or notes, and of all other indebtedness secured by the foregoing Deed of Trust. Said note or notes, together with all other indebtedness secured by said Deed of Trust have been fully paid and satisfied, and you are hereby requested and directed, on payment to you of any sums owing to you under the terms of said Deed of Trust, to cancel said note or notes above mentioned, and all other evidence of indebtedness secured by said Deed of Trust delivered to you herewith, together with the said Deed of Trust, and to reconvey, without warranty, to the parties designated by the terms of said Deed of Trust, all the estate now held by you under the same

Dated _____

Please mail Deed of Trust,
Note and Reconveyance to _____

Do not lose or destroy this Deed of Trust OR THE NOTE which it secures. Both must be delivered to the Trustee for cancellation before reconveyance will be made



Chicago Title

IN WITNESS WHEREOF, the City has signed this Deed of Trust on the date set forth below.

CITY OF NEWPORT BEACH, a municipal
corporation and charter city

Dated: _____

By: _____
Keith D. Curry, Mayor

ATTEST:

By: _____
Leilani Brown, City Clerk

**APPROVED AS TO FORM:
OFFICE OF THE CITY ATTORNEY**

By: _____
Mynette D. Beauchamp,
Assistant City Attorney